

Welcome to
one of the
BEST DECISIONS
you can make
for your kids.

JAMES, FINANCIAL GURU

ScholarShare529



SM

Take a SMARTER APPROACH to college savings.

THE ADVANTAGES OF THE SCHOLARSHARE 529 PLAN INCLUDE:

100% TAX-FREE GROWTH

Your earnings grow completely tax-free, as long as the money is used for qualified higher education expenses.

HAVE UP TO 25% MORE MONEY FOR HIGHER EDUCATION

ScholarShare 529 maximizes every dollar you invest, giving you the chance to accumulate up to 25% more than you would in a taxable account.

LOW COST, EASY MAINTENANCE

ScholarShare 529's portfolios charge fees that are less than half the national average.*

A WIDE RANGE OF INVESTMENT OPTIONS

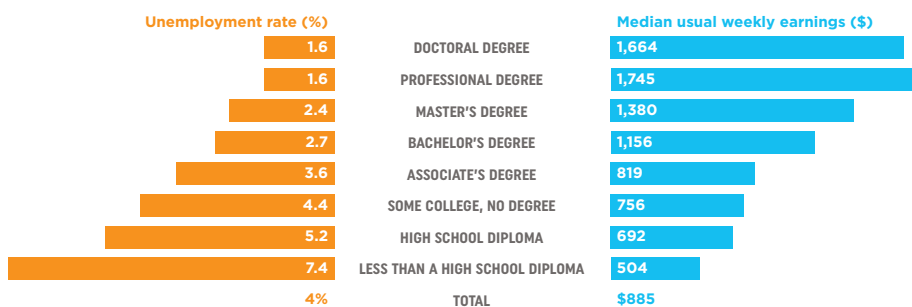
Select one or a combination of our 19 investment portfolios, including our popular and easy-to-use age-based portfolios.

Higher education changes lives.

Higher education gives your child the chance to gain the valuable experiences and skills that contribute to a bright future and fulfilling life. With higher education, your child will have the chance to explore and maximize their personal and professional potential.

Higher education can take them higher.

Studies show that a person who obtains a degree—whether from a college or a technical or trade school—typically earns more than those who do not.



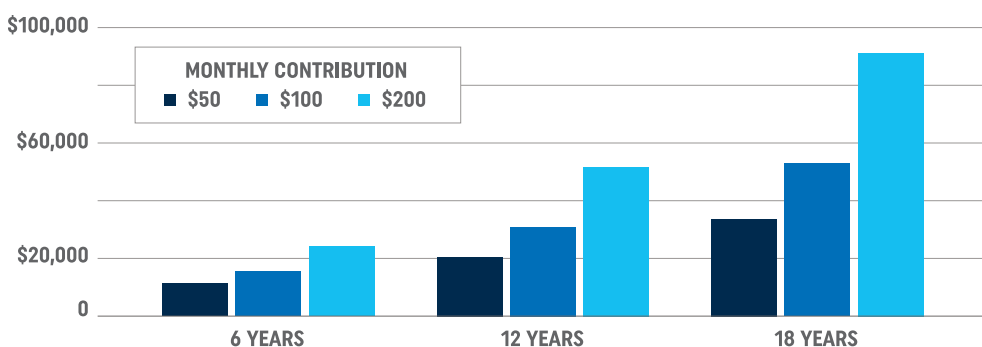
Source: U.S. Bureau of Labor Statistics, Current Population Study. Data are for persons age 25 and over. Earnings are for full-time wage and salary workers.

But figuring out how to pay for that vital education can be daunting. The ScholarShare 529 College Savings Plan gives you a powerful tool to maximize your ability to help them get there—from creating a college savings strategy to helping you put that strategy into action.

So wherever their higher education path takes them, you can make sure they have the financial support they need.

It's always the right time to start saving for college.

Whether your child is a teenager or a newborn, starting to save for college as soon as possible makes all the difference.

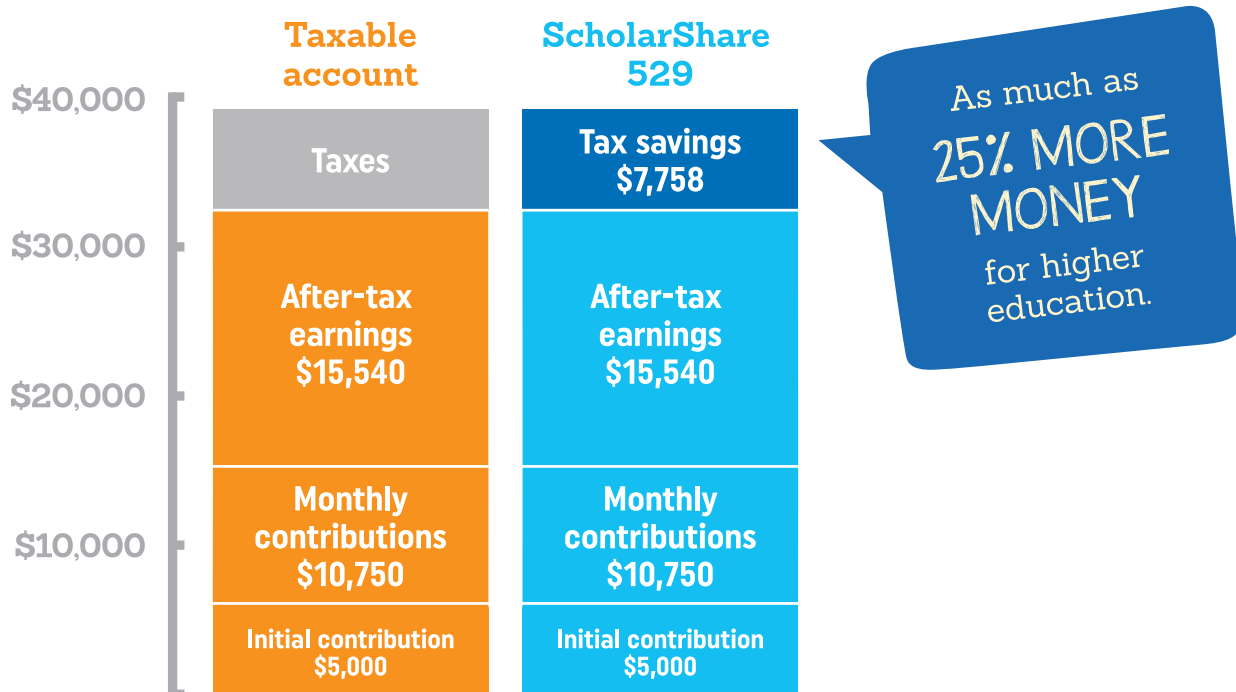


BUILDING YOUR STRATEGY.

The first step in creating a solid college savings strategy is figuring out how much you want to be able to contribute. The simple College Savings Planner Calculator at [ScholarShare529.com](https://www.scholarshare529.com) can help you figure out how much you'll need to save and help you set your goals.

This hypothetical example illustrates the future values of different regular monthly investments for different time periods and assumes an annual investment return of 6% compounded monthly for an effective rate of 6.17% and an initial investment of \$5,000. It assumes that taxes, if any, are payable at redemption. It is presented for illustrative purposes and does not reflect actual performance or withdrawals. Actual results will vary with market conditions. Past performance does not predict future results.

Tax-free growth can mean a lot more money for your higher education expenses.



This hypothetical example assumes an initial contribution of \$5,000, monthly contributions of \$50 for 18 years, and an average annual return of 7% compounded monthly for an effective rate of 7.23%. Tax calculations assume the maximum federal capital gains tax of 20% and the maximum state marginal tax rate of 13.3%. At the end of the accumulation period the taxable account would be worth \$31,290. The ScholarShare 529 account would be worth 25% more than that amount or \$39,049. Assumes taxes are paid in lump sum at the end of the accumulation period, and state taxes are not federally deductible. This is only an example and you should expect that your performance and personal tax situation may vary. Past performance does not guarantee future results.

AS OWNER OF THE ACCOUNT:

- You maintain complete control of the account regardless of your beneficiary's age.
- You make the decisions, from selecting the ScholarShare 529 investment portfolios to making withdrawals from your account.
- You can name a successor account owner and you can transfer the ownership to another person.

Choose the investments that work best for you.

SCHOLARSHARE INVESTMENT PORTFOLIOS

You can invest contributions in any one or a combination of ScholarShare 529's 19 investment portfolios. From the popular age-based plans to a customized-asset allocation strategy, our broad range of options enables you to build an investment strategy that matches your goals, risk tolerance, time horizon and other factors.

ScholarShare 529 offers three broad categories of investment portfolios:

ACTIVE INVESTMENT PORTFOLIOS

The fund manager selects the securities to buy for the fund.

- Age-Based Portfolio, actively managed
- Seven single-focus actively managed portfolios

PASSIVE INVESTMENT PORTFOLIOS

Securities are selected to mirror a specific market index.

- Age-Based Portfolio, passively managed
- Nine single-focus passively managed portfolios

PRINCIPAL PLUS INTEREST INVESTMENT PORTFOLIO

Assets allocated to a guaranteed Funding Agreement issued by TIAA-CREF Life Insurance Company (TIAA Life).



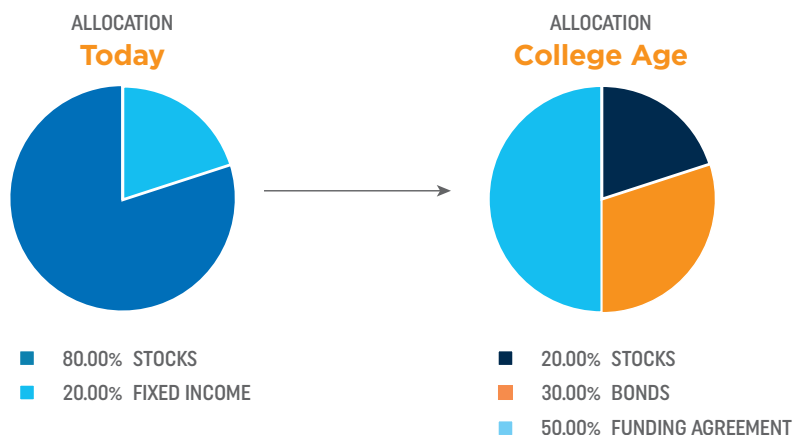
A word about risk

Each investment portfolio has its own risks. For example, international investing poses special risks—currency, political, social and economic. Investments in growth stocks may be more volatile than other securities. Fixed income investing entails credit and interest risks. When interest rates rise, bond prices generally fall, and the underlying fund's share price can fall. Investment returns during your investment period could be lower than the rate of increase in higher education costs during that period. It's also possible to lose all or part of the value of your account.

Investments that automatically adjust as your child ages.

How age-based portfolios work

Our popular Age-based investments use the age of your beneficiary to determine the appropriate investment allocation. The age-based approach invests aggressively when the child (the beneficiary) is young and more conservatively as the child gets older.



* Allocations automatically change over time. For illustrative purposes only and not representative of any specific age band for either the Active Age-Based Portfolio or the Passive Age-Based Portfolio.

YOU CAN USE SCHOLARSHARE 529 FUNDS:

- At thousands of eligible institutions nationwide and many internationally—including community colleges, trade schools, and many post-secondary programs.
- For tuition, fees, books, supplies, and equipment required for enrollment or attendance at an eligible educational institution.
- For certain room and board expenses.

We offer lots of investment options.

ACTIVE INVESTMENT PORTFOLIOS

OBJECTIVES & STRATEGIES OF ACTIVE INVESTMENT PORTFOLIOS


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| ACTIVE AGE-BASED PORTFOLIO | Seeks to match the investment objective and level of risk to the client's investment horizon by taking into account the Beneficiary's current age and the number of years before the Beneficiary turns 18 and is expected to enter college. Invests primarily in Underlying Funds that are actively managed. |
| ACTIVE DIVERSIFIED EQUITY PORTFOLIO | Seeks to provide a favorable long-term total return by investing primarily in actively managed equity Underlying Funds. |
| ACTIVE GROWTH PORTFOLIO | Seeks to provide a favorable long-term total return, mainly from capital appreciation, by investing primarily in a combination of actively managed equity and fixed-income underlying funds. |
| ACTIVE MODERATE GROWTH PORTFOLIO | Seeks moderate growth by investing primarily in a combination of actively managed equity and fixed-income Underlying Funds. |
| ACTIVE CONSERVATIVE PORTFOLIO | Seeks to provide preservation of capital along with a moderate rate of return. Approximately half of the Portfolio invests in actively managed Underlying Funds that invest primarily in fixed-income securities. The rest of the Portfolio is allocated to a Funding Agreement. |
| ACTIVE INTERNATIONAL EQUITY PORTFOLIO | Seeks to provide a favorable long-term total return by investing in actively managed international equity Underlying Funds. |
| ACTIVE DIVERSIFIED FIXED-INCOME PORTFOLIO | Seeks to provide preservation of capital along with a moderate rate of return by investing primarily in actively managed Underlying Funds that invest in a diversified mix of fixed-income investments. |
| SOCIAL CHOICE PORTFOLIO | Seeks to provide a favorable long-term total return. Invests 100% of its assets in the TIAA Social Choice Equity Fund, which invests primarily in equity securities of companies that meet certain social criteria. |

Underlying funds for ScholarShare 529 investment portfolios include Dimensional Fund Advisors (DFA), PIMCO, T. Rowe Price, TIAA and MetWest.

PASSIVE INVESTMENT PORTFOLIOS

OBJECTIVES & STRATEGIES OF ACTIVE INVESTMENT PORTFOLIOS

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|---|--|
| <p>PASSIVE AGE-BASED PORTFOLIO</p> | <p>Seeks to match the investment objective and level of risk to the client's investment horizon by taking into account the Beneficiary's current age and the number of years before the Beneficiary turns 18 and is expected to enter college. Invests primarily in Underlying Funds that are index funds.</p> |
| <p>PASSIVE DIVERSIFIED EQUITY PORTFOLIO</p> | <p>Seeks to provide a favorable long-term total return, mainly from capital appreciation, by investing in Underlying Funds that are primarily equity index funds.</p> |
| <p>PASSIVE GROWTH PORTFOLIO</p> | <p>Seeks to provide a favorable long-term total return, mainly from capital appreciation, by investing in Underlying Funds that are primarily equity index funds. The Portfolio seeks to invest a relatively small percentage of assets in Underlying Funds that invest primarily in fixed-income securities.</p> |
| <p>PASSIVE MODERATE GROWTH PORTFOLIO</p> | <p>Seeks moderate growth by investing primarily in a combination of equity and fixed-income Underlying Funds.</p> |
| <p>PASSIVE CONSERVATIVE PORTFOLIO</p> | <p>Seeks to provide preservation of capital along with a moderate rate of return. Approximately half of the Portfolio invests in active and index Underlying Funds, both of which are primarily in fixed-income securities. The rest of the Portfolio is allocated to a Funding Agreement.</p> |
| <p>PASSIVE DIVERSIFIED FIXED- INCOME PORTFOLIO</p> | <p>Seeks to provide preservation of capital along with a moderate rate of return by investing primarily in Underlying Funds that invest in a diversified mix of fixed-income investments. The majority of the Portfolio is invested in an Underlying Fund that is an index fund.</p> |
| <p>INDEX INTERNATIONAL EQUITY PORTFOLIO</p> | <p>Seeks to provide a favorable long-term total return, mainly from capital appreciation, by investing in international equity index Underlying Funds.</p> |
| <p>INDEX BOND PORTFOLIO</p> | <p>Seeks to provide preservation of capital along with a moderate rate of return from interest income and capital appreciation. Invests 100% of its assets in the TIAA Bond Index Fund, which employs a passive management strategy and seeks to match the total return of the Barclays Capital U.S. Aggregate Bond Index.</p> |
| <p>INDEX U.S. LARGE CAP EQUITY PORTFOLIO</p> | <p>Seeks to provide a favorable long-term total return. Invests 100% of its assets in the TIAA S&P 500 Index Fund, which invests primarily in a portfolio of equity securities of large domestic companies selected to track U.S. equity markets based on a market index.</p> |
| <p>INDEX U.S. EQUITY PORTFOLIO</p> | <p>Seeks to provide favorable long-term growth, mainly from capital appreciation. Invests 100% of its assets in the TIAA Equity Index Fund, which employs a passive management strategy and seeks a diversified portfolio selected to track the overall market of common stocks publicly traded in the United States, as represented by the Russell 3000 Index.</p> |
| <p>PRINCIPAL PLUS INTEREST INVESTMENT PORTFOLIO*</p> | <p>Seeks to preserve capital and provide a stable return. Assets are allocated to a Funding Agreement issued by TIAA-CREF Life to the Board on behalf of the Plan. The Funding Agreement provides for a return of principal plus a guaranteed rate of interest and allows for the possibility that additional interest may be credited.</p> <p>* The Principal Plus Interest Investment Portfolio is not passively managed.</p> |



QUESTIONS?
DON'T WORRY.
I HAVE ANSWERS.

Frequently Asked Questions

Who can open an account?

Any U.S. citizen with a valid Social Security number or federal taxpayer identification number can open an account regardless of income. This includes parents, grandparents, friends or relatives.

Who can be an account beneficiary?

As the owner of the account, you can designate anyone with a valid Social Security number or federal taxpayer identification number as the beneficiary.

How much do I need to get started?

You can open a ScholarShare 529 account with as little as \$25.

Can more than one person contribute to the account?

Anyone can contribute to an account as long as the maximum account balance does not exceed \$475,000 per beneficiary.

Can I change the beneficiary?

You can change your beneficiary at any time or transfer a portion of your investment to any eligible member of the previous beneficiary's family.

What if my child or loved one decides not to attend college?

YOU HAVE THREE CHOICES:

- Keep the funds in the account in case the beneficiary changes her or his mind about school.
- Change the beneficiary to an eligible family member.
- Make a non-qualified withdrawal and pay the appropriate taxes.

Will having a ScholarShare 529 account hurt my child's or loved one's chances for financial aid?

- If the parent is the account owner, the account assets will be treated as belonging to the parent for federal financial aid purposes.
- If a dependent child is the account owner, or the beneficiary of an account holding UGMA/UTMA assets, account assets are treated as a parent asset for financial aid purposes.
- Financial aid policies vary across post-secondary institutions. Check with the institution directly for more information.

What if my child or loved one gets a full or partial scholarship?

You can withdraw up to the scholarship amount free of the 10% additional federal tax and the additional 2.5% California tax on earnings. However, the earnings portion of the withdrawal, if any, is subject to federal and California income tax.

If I leave California, what will happen to my Account?

If you move to another state, you can keep your money invested in your ScholarShare 529 account, and you can continue contributing to it.

Can I roll over funds from another 529 plan into the ScholarShare 529 plan?

You can transfer funds for the same beneficiary once per 12-month period without triggering federal or state income tax. Consult your tax advisor or the other 529 College Savings Plan provider before requesting a rollover.

How do I make withdrawals?

Withdrawals can be processed online, from your phone or smartphone, or by completing and submitting a Withdrawal Request Form.

STILL HAVE QUESTIONS? I'VE GOT YOU COVERED.

There's always more to learn about maximizing your college savings with ScholarShare 529. For more information, or if you have questions, check out the options below.

GIVE US A CALL.

Call us toll free at **800.544.5248**. Our friendly, knowledgeable college savings plan consultants are always ready to answer your questions.

VISIT SCHOLARSHARE529.COM.

Register for a webinar where you can learn more about the features and benefits of the ScholarShare 529 plan.

SCHEDULE A ONE-ON-ONE MEETING.

Go to **ScholarShare529.com** and set up an in-person info session with one of our California-based college saving consultants.

Ready to start saving for your child's future? It's easy.

There are two easy ways to enroll.

1. Enroll online at [ScholarShare529.com](https://www.scholarshare529.com)
2. Complete and mail the enclosed paper application, along with your initial contribution, to:
ScholarShare 529 College Savings Plan
PO Box 219185
Kansas City, MO 64121-9185

We're here to help.

Call us toll-free at **800.544.5248**

WHAT YOU WILL NEED:

- The beneficiary's and account owner's date of birth and Social Security or federal taxpayer identification number.
- If you choose to designate a successor account owner, who will take over the account in the event of the account owner's death, you'll need their date of birth, Social Security or federal taxpayer identification number as well.
- Select an investment portfolio(s) that match(es) your investment objectives.

ScholarShare529  SM



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KANSAS CITY, MO 64121-9185

Grown-ups,
I'm proud of
you already.



To learn more about the California 529 College Savings Plan, its investment objectives, tax benefits, risks, and costs, please see the Disclosure Booklet at ScholarShare529.com. Read it carefully. Check with your home state to learn if it offers tax or other benefits such as financial aid, scholarship funds or protection from creditors for investing in its own 529 plan. Consult your legal or tax professional for tax advice, including the impact of the new federal tax changes. Investments in the Plan are neither insured nor guaranteed and there is the risk of investment loss. If the funds aren't used for qualified higher education expenses, a 10% penalty tax on earnings (as well as federal and state income taxes) may apply. Non-qualified withdrawals may also be subject to an additional 2.5% California tax on earnings. TIAA-CREF Individual & Institutional Services, LLC, Member FINRA and SIPC, distributor and underwriter for the California 529 College Savings Plan. 571298
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